

January 28, 2022

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY INFORMATION NOTICE NO. I-11-22

This All County Information Notice transmits information about the implementation of the Social Security Administration Cost of Living Adjustment for Supplemental Security Income recipients and the California Cost of Living Adjustment for State Supplemental Payment recipients who are also receiving CalFresh.



KIM JOHNSON
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



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GOVERNOR

January 28, 2022

ALL COUNTY INFORMATION NOTICE (ACIN) NO. I-11-22

TO: ALL COUNTY WELFARE DIRECTORS
ALL CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY
TO KIDS (CALWORKS) PROGRAM SPECIALISTS
ALL COUNTY CALFRESH PROGRAM SPECIALISTS
ALL COUNTY REFUGEE PROGRAM COORDINATORS
ALL CONSORTIUM PROJECT MANAGERS
ALL QUALITY CONTROL SUPERVISORS

**SUBJECT: THE ANNUAL SOCIAL SECURITY ADMINISTRATION COST OF
LIVING ADJUSTMENT FOR SUPPLEMENTAL SECURITY
INCOME (SSI) RECIPIENTS IN CALFRESH - EFFECTIVE
JANUARY 1, 2022**

REFERENCE: [ALL COUNTY INFORMATION NOTICE \(ACIN\) I-67-19](#); [ALL COUNTY LETTER 19-44](#); [7 CODE OF FEDERAL REGULATIONS \(CFR\) § 273.12\(e\)\(3\)](#); [7 CFR § 273.12\(e\)\(4\)](#); [7 CFR 273.2\(f\)\(9\)\(iii\)](#); [7 CFR § 273.2\(k\)\(1\)\(iii\)\(A\)](#); [7 CFR 273.9\(c\)\(8\)](#); [7 CFR 273.9\(b\)\(5\)\(i\)](#); [7 CFR 273.11\(k\)](#); [ALL COUNTY INFORMATION NOTICE 87-20](#); [Food and Nutrition Service \(FNS\) 310 Handbook Section 741.4](#)

The purpose of this All County Information Notice (ACIN) is to inform counties that Supplemental Security Income (SSI) and California State Supplementary Payment (SSP) recipients will receive a Cost of Living Adjustment (COLA) effective January 1, 2022 and that, per federal regulations, the new SSI and SSP monthly payment amounts reflecting the COLAs must be acted on for CalFresh purposes no later than the March 2022 benefit allotment for all cases where SSI/SSP payment amount data is readily available. The Supplemental Nutrition Benefit (SNB) and Transitional Nutrition Benefit (TNB) cases will not be negatively affected by this effort.

This ACIN provides counties with information on the extent that the Statewide Automated Welfare System (SAWS) will automate the 2022 SSI/SSP COLA and county responsibility for cases not included in the automation effort.

BACKGROUND

Currently, the Social Security Administration (SSA) makes updated State Data Exchange (SDX) file information available to all states on a monthly basis. Certain elements of the SDX file, including individual SSI/SSP monthly payment amounts, are made available to County Welfare Departments (CWDs) via the Medi-Cal Eligibility Data System (MEDS).

On January 1 of each year, all SSI and SSP recipients are subject to a change in their monthly payment amount as a result of the annual SSA COLA and California State budget, respectively. Updated SSI/SSP monthly payment amounts are sent to states via the SDX.

Each year, updated SDX information is typically available to administrators by the end of January. SDX information about SSI/SSP monthly payment amounts, which reflect the COLA, is considered verified upon receipt and must be used to adjust CalFresh household budgets and monthly benefit amounts no later than the March benefit allotment of each year. Because of the varying impacts of the SSA COLA on the SSI/SSP monthly payment amount and the number of SSI/SSP recipients receiving a non-standard SSI/SSP monthly payment amount, CWDs cannot accurately apply a percentage-based COLA based on existing SSI/SSP payment information available in the SAWS. Instead, CWDs must act on the SDX information which includes the actual post-COLA SSI/SSP monthly payment amount as reported by SSA. States must make mass changes to reflect COLAs in benefits where information on COLAs is readily available in accordance with [7 CFR § 273.12\(e\)\(3\)](#).

The SAWS will automatically implement this change in 2022 for the majority of SSI/SSP CalFresh recipients. In order to do so accurately, the Department of Health Care Services (DHCS), the California Department of Social Services (CDSS), and the SAWS have developed an annual data match between the SAWS and MEDS to retrieve and consume the post-COLA SSI/SSP monthly payment amounts for CalFresh recipients.

ONGOING CALFRESH HOUSEHOLDS

For ongoing CalFresh households, the SAWS will generate a point-in-time list of individuals receiving CalFresh who have an SSI/SSP payment on record. The list will be sent to DHCS, which will perform a data match and produce a file with an updated SSI/SSP payment amount (the SSI-PAID-AMT and SSP-PAID-AMT) for each CalFresh recipient. The SAWS will act to automatically include the updated SSI/SSP monthly payment amount in the household budget and, if applicable, will adjust the monthly benefit amount effective the March benefit allotment. A list of unmatched individuals and individuals with amounts over the maximum possible SSI/SSP monthly amounts will

be sent to counties for manual update (see Cases Not Captured in the Data Match section below).

Proper noticing is required when acting on the new SSI/SSP monthly payment amount. The SAWS will automatically issue no change, reduced benefit, or discontinuance notices for all affected households in accordance with [7 CFR 273.12\(e\)\(3\)](#) and [7 CFR 273.2\(f\)\(9\)\(iii\)](#).

CASES NOT CAPTURED IN THE DATA MATCH

Per [7 CFR 273.12\(e\)\(3\)](#), states are required to make mass changes to reflect COLAs in benefits, where information is readily available. Not all CalFresh recipients who are also SSI/SSP recipients will be captured in the data match. For example, SSI/SSP recipients that cannot be confidently matched because of a difference between the SDX and the SAWS data will not be captured. Additionally, any SSI/SSP recipient whose PAID amounts are over the maximum possible SSI/SSP monthly amounts noted in the Retroactive Payments section below, will not be included. In these scenarios, CWDs must manually update the SSI/SSP monthly payment amount as soon as possible and no later than the individual's next periodic report or recertification.

RETROACTIVE PAYMENTS

January 2022 SSI payments are expected to include a higher prevalence of retroactive lump-sum payments. This is due to SSA having released a revised policy on pandemic-related assistance types to be excluded from income and resources including Economic Impact Payments (EIPs) and Unemployment Insurance Benefits (UIB). In the coming months, some SSI/SSP recipients will receive retroactive lump-sum payments due to this policy reversal resulting in a temporary increase in the prevalence of these instances. Retroactive lump-sum payments are excluded as income for CalFresh budgeting purposes in accordance with [7 CFR § 273.9\(c\)\(8\)](#).

For the 2022 automation effort, DHCS and the SAWS are not able to identify and exclude instances where a retroactive payment is present. Therefore, the SAWS will remove any SSI/SSP recipients whose January 2022 paid amounts are over the maximum SSI/SSP payments from the automation effort. All records with SSI-PAID-AMTs over \$841 and/or SSP-PAID-AMTs over \$736 will not be processed by SAWS. A list of SSI/SSP recipients who exceeded the threshold will be provided to counties to manually process the cases with the accurate SSI/SSP monthly amounts as soon as possible and no later than the individual's next periodic report or recertification. Any instance where a retroactive payment is present but does not result in the SSI/SSP payment exceeding the threshold amount will be automated. County workers should

carefully check all SSI/SSP amounts at the next periodic report or recertification for the presence of a lump-sum amount or of a recoupment (see the SSI/SSP Recoupments section below).

SSI/SSP RECOUPMENTS

As a reminder, only certain SSI/SSP recoupments are excluded for CalFresh purposes. Per [7 CFR 273.9\(b\)\(5\)\(i\)](#), recoupment amount is excluded as income for SSI/SSP households which result from SSI/SSP overpayments. Therefore, the PAID amount (SSI-PAID-AMT/ SSP-PAID-AMT) being automated is an accurate indication of the amount to be used in the CalFresh budget. For those recoupments which result for any other reason than an SSI/SSP overpayment, CWDs must use the ELIGIBLE amount (SSI-ELIG-AMT/ SSP-ELIG-AMT) in accordance with [7 CFR § 273.11\(k\)](#). County workers should carefully check all SSI/SSP amounts at the next periodic report or recertification for the presence a non-SSI overpayment recoupment and adjust the SSI monthly income accordingly. If an SSI recoupment is present, the CWD may need to request the SSA award letter to determine the origin of the recoupment.

OVERISSUANCES

CWDs are reminded that not all benefit discrepancies will result in an OI claim. Please refer to [ACIN 87-20](#) for more OI instructions

CASES THAT LOSE ELIGIBILITY AS A RESULT OF THE SSI/SSP COLA

Due to the retroactive payments discussed above, it is recommended that any case that is terminated for exceeding the household's income reporting threshold in response to this SSI automation effort be reviewed for accuracy and restored if applicable.

NEW APPLICANTS

Individuals who are approved for CalFresh after January 1 will not be included in the data match and will be considered "New Applicants". As is current policy for new CalFresh applicants, CWDs must verify any earned or unearned income available to the household, including each SSI/SSP recipient's monthly payment amount. Per [7 CFR § 273.2\(k\)\(1\)\(iii\)\(A\)](#), SSI/SSP monthly payment amounts may be verified through the SDX, Beneficiary Data Exchange (BENDEX), and/or through verification provided by the household. For further guidance on verifying the SSI/SSP monthly payment amount, refer to [All County Letter No. 19-44](#) issued on May 9th, 2019. The SDX file information available in MEDS will reflect the SSA COLA effective January 1, 2022.

QUALITY CONTROL IMPACT

Per [7 CFR § 273.12\(e\)\(3\)](#) and [FNS 310 Handbook Section 741.4](#), Social Security and Other Federal Mass Changes, State agencies are required to implement a state initiated mass change when information about the mass change is readily available, including the SSA COLA.

Once the SSA COLA is implemented, counties are required to act on the new SSI/SSP monthly payment amount no later than March 1 of each year for all continuing cases based on readily available data. Cases which result in an inaccurate or untimely action may result in a variance or a QC finding.

If you have any questions or need additional guidance regarding the information in this letter, contact the CalFresh Policy and Employment Bureau at CalFreshPolicy@dss.ca.gov.

Sincerely,

Original Document Signed By

KATHY YANG, Acting Chief
CalFresh and Nutrition Branch
Family Engagement and Empowerment Division